



exhibits instead of written comments. After reviewing the objection, the Commission clarifies its Order as set out below and addresses a rate design issue.

### **OBJECTION TO THE INITIAL SCHEDULING ORDER**

In its Motion, the Company asserts that the procedural schedule laid out in the Commission's Order is "different from that which the Company understood had been agreed to" by the parties at the prehearing conference held on May 10, 2001. Motion at 2. Contrary to the Commission's Order, it was the Company's understanding that the parties had agreed (and the Commission had adopted) that "the Company would file comments [instead of prefiled testimony] in each of the two dockets." *Id.* (emphasis added). The Company envisioned that its comments "would be supported by Commission orders and documents to ensure that the legal issues involved in the Company's trading practices would be addressed by all of the parties and resolved before any evidentiary hearing was held concerning those trading practices." *Id.* The Company insists that it "is unable to comply with the schedule as set forth on page 3 of the Commission's Notice and Order No. 28731. . . ." *Id.*

The Company's Motion proposes that the requirement to submit "prefiled testimony and exhibits" be replaced with the requirement that the parties merely file "comments." The Company has not requested a change in the scheduling dates. Given the immediacy of the scheduling deadline of May 24, the Company requests that the Commission issue an Order addressing this matter on less than 14 days notice. Although the Company asserts that it served a copy of the Motion via facsimile on the parties in attendance at the prehearing conference, no other parties filed a response to the Company's Motion and Objection.

### **Commission Findings:**

As we stated in our May 1, 2001 PCA Order, the Commission seeks to expeditiously resolve the remaining issues in Case Nos. IPC-E-01-7 and IPC-E-01-11. Order No. 28722 at 27. Although we appreciate the Company's desire to resolve what may be controlling legal issues regarding its trading practices before addressing any remaining issues with prefiled testimony, the Commission stands by Order No. 28731 and requires all comments to be filed as prefiled testimony and exhibits. To do otherwise would require the parties to submit duplicative filings on issues involving the prudence of Idaho Power's 2000-2001 PCA pricing mechanisms,

transmission and wheeling charges, weighted-average pricing for real-time purchases, the November trading event, and the Company's hedging activities.

Because the Company asserts that it did not anticipate filing its comments in the form of prefiled testimony and cannot do so by the May 24, 2001 deadline set out in scheduling Order No. 28731, the Commission excused the Company from meeting this deadline during its May 21, 2001 decision meeting. Having postponed the May 24 filing, the Commission asked the parties to submit an amended schedule for these cases going forward.

### **AMENDED PROCEDURAL SCHEDULE AND NOTICE OF HEARING**

Based upon the agreement of the parties, the Commission adopts the amended proceeding schedule outlined below.

<b><u>Date</u></b>	<b><u>Action</u></b>
June 22, 2001	Deadline for Idaho Power to submit prefiled direct testimony, exhibits, and workpapers regarding: <ul style="list-style-type: none"><li>• <u>IPC-E-01-7/IPC-E-01-11</u>: the prudence of its 2000-2001 PCA pricing mechanisms, transmission and wheeling charges, weighted-average pricing for real-time purchases, the November trading event and hedging activities.</li><li>• <u>IPC-E-01-16</u>: the reasonableness of its trading practices (to include hedging, transmission and wheeling charges, Mid-C and Palo Verde pricing indexes, and use of weighted-average pricing); the pricing, hedging and transmission terms of the IES Agreement and Order No. 28596; and the flexibility of the Company's short-term resource planning. This filing shall also include the short-term resource planning report for the summer and winter of 2001 that was mandated by Order No. 28722 at page 17.</li></ul>
July 20, 2001	Deadline for Staff and Intervenors to submit prefiled direct testimony, exhibits, and workpapers.
August 7, 2001	Deadline for Idaho Power to submit prefiled rebuttal testimony, exhibits and workpapers to the parties' filings.
August 28-30, 2001	Evidentiary Hearing at 9:30 a.m. in the Idaho Public Utilities Commission Hearing Room located at 472 W. Washington, Boise.

After receiving the prefiled direct and rebuttal testimony, the Commission may issue an Order addressing controlling legal issues that can be resolved without an evidentiary hearing.

To further expedite the proceedings in these cases, the parties are encouraged to provide other parties with the information they request in a timely manner and use a protective agreement, if necessary. Absent a formal discovery period, the parties have agreed to respond to discovery requests within fourteen (14) days. Staff has further agreed to respond to any Idaho Power discovery requests received July 20-24, 2001 no later than July 30, 2001.

To facilitate the filing of exhibits, the Commission assigns the parties the following exhibit numbers: Idaho Power Company (1-100); Commission Staff (101-200); Astaris LLC (201-300); Irrigation Pumpers Association, Inc. (301-400); U.S. Department of Energy (401-500); Land and Water Fund of the Rockies for Mary McGown, Idaho Rivers United and Idaho Rural Council (501-600); and Industrial Customers of Idaho Power (601-700).

#### **Suspension Period**

On May 1, 2001, the Commission suspended the effective dates of the requested rate increases relating to the IPC-E-01-7 and IPC-E-01-11 issues deferred for further investigation until August 23, 2001. Order No. 28722 at 28. According to *Idaho Code* § 61-622, the Commission may further extend the period of suspension for an additional sixty (60) days after a “showing of good cause.” Idaho Power and the parties have adopted the schedules as set out above and consented to a further suspension of the filings’ effective dates to accommodate said schedules. Consequently, the Commission finds that there is “good cause” to further suspend the effective date of Idaho Power’s requested rate increases relating to the deferred issues in IPC-E-01-7 and IPC-E-01-11 through September 28, 2001.

The Commission finds that the amended schedules set out above are appropriate. The parties shall file their comments in the form of prefiled testimony and exhibits. The Commission directs that all pleadings and prefiled testimony and exhibits be served via overnight mail no later than the close of business on the deadlines outlined above.

YOU ARE FURTHER NOTIFIED that the prepared testimony and exhibits must be served upon the Commission and all other parties as set out in the schedule above. The prepared testimony and exhibits must conform to the requirements of Rules 266 and 267 of the Commission’s Rules of Procedure, IDAPA 31.01.01.266-.267.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Titles 61 and 62 of the Idaho Code and that the Commission may enter any final Order consistent with its authority. The Commission has jurisdiction over these matters pursuant to *Idaho Code* §§ 61-307, 61-622, 61-623, and 61-624.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

YOU ARE FURTHER NOTIFIED that all hearings and prehearing conferences in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act. Persons needing the help of a sign language interpreter or other assistance of the kind that the Commission is obligated to provide under the Americans with Disabilities Act in order to participate in or to understand the testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

IDAHO PUBLIC UTILITIES COMMISSION  
PO BOX 83720  
BOISE, IDAHO 83720-0074  
(208) 334-0338 (TELEPHONE)  
(208) 334-3762 (FAX)

### **MASTER-METERING IN MOBILE HOME/RV PARKS**

In Order No. 28722 (Case Nos. IPC-E-01-7 and IPC-E-01-11), the Commission established a three-tiered residential rate which became effective May 1, 2001. Since the Order's issuance the Consumer Assistance Staff has received six informal complaints from Idaho Power customers who own master-metered mobile home or R.V. parks. Master-metered customers have tenants whose usage is submetered. For example, the utility bills its master-meter park owner who, in turn, reads the tenants' submeters and bills them for their individual usage. Under the Commission's Master-Metering Rule 101.02 (IDAPA 31.26.01.101.02), the park owner must bill their submetered tenants at the same rate Idaho Power would charge the tenant if the tenant were billed directly by Idaho Power.

Applying the tiered residential rate to master-metered customers results in the vast majority of usage being billed at the highest tier (62% increase). According to the complainants,

an individual tenant's monthly usage typically falls within the first two rate tiers (2000 kWh or less). If the owners follow the requirements of Master-Metering Rule 101.02, there will be a substantial shortfall between the amount the park owners (i.e., the master-metered customers) will be able to collect from their tenants and the amount the owners will pay to Idaho Power. It is this anticipated revenue shortfall that greatly concerns the complainants.

### **Commission Findings**

As set out above, the temporary PCA residential rate design has created some inequities for master-metered parks served under that schedule. Except for the park owners' private accommodations or common areas, the park owner has little ability to affect aggregate usage under the master-meter since the owner cannot control a submetered tenant's individual usage. The majority of the owners' bills from Idaho Power will be for usage at the highest rate, whereas the majority of the tenants' usage will be under the two lower tiers.

To address this unforeseen consequence, the Commission hereby creates a separate subclass for master-metered customers served under Schedule 1. Idaho Power shall transfer Schedule 1 master-metered customers to this subclass and bill them at a flat energy rate of 6.2718 cents per kWh plus the \$2.51 customer charge. This rate represents a 23% increase over previous Schedule 1 rates and is consistent with the overall average increase for the residential class approved in Case Nos. IPC-E-01-7 and IPC-E-01-11. This interim solution applies only to the current PCA, which expires in May 2002, or until such time as the Commission has another opportunity to adjust rates.

Idaho Power shall adjust the billing for master-metered mobile home or R.V. park owners that are currently served under Idaho Power's Schedule 1 Residential Rate to reflect the rates set out above. In keeping with Master-Metering Rule 101.02, mobile home/R.V. park owners shall then bill tenants according to Idaho Power's Schedule 1 residential tiered rates. Billing submetered customers under the tiered rates will send an appropriate price signal and encourage customers to conserve energy. This will also ensure that submetered residential tenants pay the same rates as residential customers directly served by Idaho Power. The Company shall provide the Commission Secretary with a list of known master-metered Schedule 1 customers. The Secretary shall then serve a copy of this Order on the master-metered customers.

## **ORDER**

IT IS THEREFORE ORDERED that Idaho Power's Motion to Clarify is granted in part and denied in part.

IT IS FURTHER ORDERED that the parties comply with the amended schedules outlined above rather than the initial schedules set out in Order No. 28731.

IT IS FURTHER ORDERED that those issues in Idaho Power Company's Application in Case Nos. IPC-E-01-7 and IPC-E-01-11 that are deferred for further investigation, are further suspended through September 28, 2001, or until such time as the Commission may issue a final Order accepting, rejecting, or modifying the requested rate increase as it relates to the deferred issues.

IT IS FURTHER ORDERED that Idaho Power Company file tariffs for a temporary subclass of Schedule 1 master-metered mobile home or R.V. park owners for the 2001-2002 Purchased Power Cost Adjustment period to be billed at a flat energy rate of 6.2718 cents per kWh plus the \$2.51 customer charge. Idaho Power is further ordered to transfer Schedule 1 master-metered customers to the temporary subclass and adjust their billing back to May 1, 2001 to reflect this flat rate. Idaho Power shall also provide the Commission Secretary with a list of known Schedule 1 master-metered customers.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho, this  
day of May 2001.

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PAUL KJELLANDER, PRESIDENT

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MARSHA H. SMITH, COMMISSIONER

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DENNIS S. HANSEN, COMMISSIONER

ATTEST:

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Jean D. Jewell  
Commission Secretary

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**OPINION OF COMMISSIONER MARSHA H. SMITH,  
CONCURRING IN PART AND DISSENTING IN PART**

**Case Nos. IPC-E-01-7, IPC-E-01-11, and IPC-E-01-16  
Amended Schedule and Notice of Hearing  
Order No. 28738**

To resolve an unanticipated consequence of implementing tiered residential rates, I agree with the majority that it is appropriate to create a Schedule 1 master-metering subclass that will be billed at a uniform rate. However, I respectfully dissent from the Commission's denial of Idaho Power's Objection to, and Motion for Modification of, Order No. 28731. After reviewing the pleadings and transcripts from the May 10, 2001 Prehearing Conference, it is apparent to me that the parties did not contemplate Idaho Power would file its comments on legal issues involving the Company's trading practices as "prefiled testimony." As such, I believe that the Company should be allowed to file comments regarding the legal issues in this case.

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Marsha H. Smith, Commissioner